

HOUSE BILL 1384

F1, Q3
HB 630/09 – W&M

0lr2243

By: **Delegates Levi, Glenn, Benson, Bohanan, Branch, Burns, DeBoy, Kirk, Montgomery, Ross, Schuler, Stukes, V. Turner, Vallario, Vaughn, and Walker**

Introduced and read first time: February 18, 2010
Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Restore Respect at School Act**

3 FOR the purpose of denying eligibility for a certain subtraction modification under the
4 Maryland income tax for certain household and dependent care expenses to
5 certain parents or guardians if their dependent child does not meet certain
6 school discipline and attendance requirements; denying eligibility for a certain
7 credit allowed against the State income tax for certain child care and dependent
8 care expenses to certain parents or guardians if their dependent child does not
9 meet certain school discipline and attendance requirements; requiring the State
10 Board of Education to adopt certain regulations that provide a process for
11 determining ineligibility; requiring a certain notice of ineligibility to be sent in
12 writing to the Comptroller; requiring certain revenue attributable to a certain
13 denial of a certain subtraction modification and a tax credit for certain
14 dependent care expenses to certain parents or guardians to be distributed to a
15 certain special fund; providing for the application of this Act; requiring the
16 State Board of Education and the Comptroller to report to the General
17 Assembly on or before a certain date; and generally relating to a certain
18 subtraction modification and tax credit for certain dependent care expenses
19 under the Maryland income tax.

20 BY repealing and reenacting, with amendments,
21 Article – Education
22 Section 6–203(a)
23 Annotated Code of Maryland
24 (2008 Replacement Volume and 2009 Supplement)

25 BY repealing and reenacting, without amendments,
26 Article – Education
27 Section 6–203(e) and 7–305(a) through (d)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland
2 (2008 Replacement Volume and 2009 Supplement)

3 BY adding to
4 Article – Education
5 Section 7–311
6 Annotated Code of Maryland
7 (2008 Replacement Volume and 2009 Supplement)

8 BY repealing and reenacting, with amendments,
9 Article – Tax – General
10 Section 2–609, 10–208(e), and 10–716
11 Annotated Code of Maryland
12 (2004 Replacement Volume and 2009 Supplement)

13 BY repealing and reenacting, without amendments,
14 Article – Tax – General
15 Section 10–208(a)
16 Annotated Code of Maryland
17 (2004 Replacement Volume and 2009 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article – Education**

21 6–203.

22 (a) For all proceedings before a county board under §§ 4–205(c), 6–202, [and]
23 7–305, **AND 7–311** of this article, the county board may have the proceedings heard
24 first by a hearing examiner.

25 (e) (1) After it reviews the record and the recommendation of the hearing
26 examiner, the county board shall make a decision.

27 (2) The decision may be appealed to the State Board as provided in
28 this article.

29 7–305.

30 (a) (1) Except as provided in subsection (b) of this section, in accordance
31 with the rules and regulations of the county board, each principal of a public school
32 may suspend for cause, for not more than 10 school days, any student in the school
33 who is under the direction of the principal.

1 (2) The student or the student's parent or guardian promptly shall be
2 given a conference with the principal and any other appropriate personnel during the
3 suspension period.

4 (3) The student or the student's parent or guardian promptly shall be
5 given a community resources list provided by the county board in accordance with §
6 7-310 of this subtitle.

7 (b) (1) Except as provided in paragraph (2) of this subsection, a student
8 may not be suspended or expelled from school solely for attendance-related offenses.

9 (2) Paragraph (1) of this subsection does not apply to in-school
10 suspensions for attendance-related offenses.

11 (c) At the request of a principal, a county superintendent may suspend a
12 student for more than 10 school days or expel the student.

13 (d) (1) If a principal finds that a suspension of more than 10 school days
14 or expulsion is warranted, the principal immediately shall report the matter in writing
15 to the county superintendent.

16 (2) The county superintendent or the county superintendent's
17 designated representative promptly shall make a thorough investigation of the matter.

18 (3) If after the investigation the county superintendent finds that a
19 longer suspension or expulsion is warranted, the county superintendent or the county
20 superintendent's designated representative promptly shall arrange a conference with
21 the student and his parent or guardian.

22 (4) The student or the student's parent or guardian promptly shall be
23 given a community resources list provided by the county board in accordance with §
24 7-310 of this subtitle.

25 (5) If after the conference the county superintendent or the county
26 superintendent's designated representative finds that a suspension of more than 10
27 school days or expulsion is warranted, the student or the student's parent or guardian
28 may:

29 (i) Appeal to the county board within 10 days after the
30 determination;

31 (ii) Be heard before the county board, its designated committee,
32 or a hearing examiner, in accordance with the procedures established under § 6-203 of
33 this article; and

34 (iii) Bring counsel and witnesses to the hearing.

1 (6) Unless a public hearing is requested by the parent or guardian of
 2 the student, a hearing shall be held out of the presence of all individuals except those
 3 whose presence is considered necessary or desirable by the board.

4 (7) The appeal to the county board does not stay the decision of the
 5 county superintendent.

6 (8) The decision of the county board is final.

7 **7-311.**

8 (A) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
 9 SUBSECTION, A PARENT OR GUARDIAN WHO MAY CLAIM A STUDENT AS A
 10 DEPENDENT FOR INCOME TAX PURPOSES IS INELIGIBLE TO RECEIVE THE
 11 SUBTRACTION MODIFICATION UNDER § 10-208(E) OF THE TAX - GENERAL
 12 ARTICLE OR THE TAX CREDIT UNDER § 10-716 OF THE TAX - GENERAL
 13 ARTICLE AS PROVIDED IN SUBSECTION (B) OF THIS SECTION IF DURING THE
 14 TAXABLE YEAR A COUNTY BOARD OR THE STATE BOARD ON APPEAL
 15 DETERMINED THAT THE STUDENT:

16 (I) DID NOT COMPLETE THE MINIMUM AMOUNT OF
 17 HOMEWORK REQUIRED, IF THE LOCAL SCHOOL SYSTEM HAS ADOPTED A
 18 SYSTEM-WIDE POLICY REQUIRING STUDENTS TO COMPLETE A MINIMUM
 19 AMOUNT OF HOMEWORK DURING EACH ACADEMIC YEAR;

20 (II) WAS, DURING THE ACADEMIC YEAR:

- 21 1. AGE 5 THROUGH 20;
- 22 2. IN MEMBERSHIP IN A SCHOOL FOR 91 OR MORE
 23 DAYS; AND
- 24 3. UNLAWFULLY ABSENT FOR 20% OR MORE OF THE
 25 DAYS IN MEMBERSHIP; OR

26 (III) SHOULD BE SUSPENDED OR EXPELLED IN ACCORDANCE
 27 WITH § 7-305 OF THIS SUBTITLE MORE THAN ONCE IN THE ACADEMIC YEAR,
 28 FOR ONE OF THE FOLLOWING REASONS:

- 29 1. DISRESPECT;
- 30 2. INSUBORDINATION; OR
- 31 3. CLASSROOM DISRUPTION.

1 **(2) THE PARENT OR GUARDIAN OF A STUDENT WHO HAS AN**
2 **INDIVIDUAL EDUCATION PLAN AND WHOM A COUNTY BOARD OR THE STATE**
3 **BOARD ON APPEAL HAS DETERMINED SHOULD BE SUSPENDED OR EXPELLED AS**
4 **DESCRIBED UNDER PARAGRAPH (1)(III) OF THIS SUBSECTION MAY NOT BE**
5 **DENIED THE SUBTRACTION MODIFICATION OR TAX CREDIT UNDER THIS**
6 **SUBSECTION.**

7 **(B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**
8 **SUBSECTION, IF A COUNTY BOARD OR THE STATE BOARD ON APPEAL MADE A**
9 **DETERMINATION UNDER SUBSECTION (A) OF THIS SECTION REGARDING A**
10 **STUDENT, FOR THE TAXABLE YEAR DURING WHICH THE DETERMINATION WAS**
11 **MADE, A PARENT OR GUARDIAN WHO IS ELIGIBLE TO CLAIM THE STUDENT AS A**
12 **DEPENDENT FOR INCOME TAX PURPOSES:**

13 **(I) MAY NOT CLAIM THE CREDIT ALLOWED AGAINST THE**
14 **MARYLAND INCOME TAX FOR CHILD CARE AND DEPENDENT CARE EXPENSES**
15 **FOR THE STUDENT UNDER § 10-716 OF THE TAX – GENERAL ARTICLE; AND**

16 **(II) IF THE INDIVIDUAL’S FEDERAL ADJUSTED GROSS**
17 **INCOME FOR THE TAXABLE YEAR EXCEEDS \$41,001, OR \$20,501 IN THE CASE OF**
18 **A MARRIED INDIVIDUAL FILING A SEPARATE RETURN, MAY NOT CLAIM THE**
19 **SUBTRACTION MODIFICATION UNDER THE MARYLAND INCOME TAX FOR**
20 **HOUSEHOLD AND DEPENDENT CARE EXPENSES FOR THE STUDENT AS PROVIDED**
21 **UNDER § 10-208(E) OF THE TAX – GENERAL ARTICLE.**

22 **(2) THE PARENT OR GUARDIAN MAY CLAIM THE SUBTRACTION**
23 **MODIFICATION OR TAX CREDIT DESCRIBED UNDER THIS SUBSECTION IF:**

24 **(I) THE PARENT OR GUARDIAN ATTENDS A PARENT**
25 **CONFERENCE AT THE SCHOOL PRIOR TO THE STUDENT’S READMISSION**
26 **FOLLOWING SUCCESSIVE SUSPENSIONS; AND**

27 **(II) THE PARENT OR GUARDIAN PROVIDES EVIDENCE OF**
28 **COMPLETION OF A COMMUNITY RESOURCE PROGRAM IDENTIFIED BY THE**
29 **COUNTY BOARD UNDER § 7-310 OF THIS SUBTITLE.**

30 **(C) IF A PARENT OR GUARDIAN IS DETERMINED UNDER THIS SECTION**
31 **TO BE INELIGIBLE TO RECEIVE THE SUBTRACTION MODIFICATION OR THE TAX**
32 **CREDIT DESCRIBED IN SUBSECTION (B) OF THIS SECTION, THE BOARD THAT**
33 **MADE THE DETERMINATION OF INELIGIBILITY SHALL NOTIFY THE**
34 **COMPTROLLER IN WRITING ON OR BEFORE DECEMBER 31 OF THE YEAR IN**
35 **WHICH THE DETERMINATION WAS MADE.**

1 **(D) (1) THE COMPTROLLER SHALL DENY A PARENT OR GUARDIAN**
2 **ELIGIBILITY FOR THE TAX CREDIT UNDER § 10-716 OF THE TAX - GENERAL**
3 **ARTICLE FOR ANY TAXABLE YEAR FOR WHICH THE COMPTROLLER RECEIVES**
4 **NOTICE THAT THE PARENT OR GUARDIAN IS INELIGIBLE.**

5 **(2) IF AN INDIVIDUAL'S FEDERAL ADJUSTED GROSS INCOME FOR**
6 **THE TAXABLE YEAR EXCEEDS \$41,001, OR \$20,501 IN THE CASE OF A MARRIED**
7 **INDIVIDUAL FILING A SEPARATE RETURN, THE COMPTROLLER SHALL DENY THE**
8 **PARENT OR GUARDIAN ELIGIBILITY FOR THE SUBTRACTION MODIFICATION**
9 **UNDER THE STATE INCOME TAX FOR HOUSEHOLD AND DEPENDENT CARE**
10 **EXPENSES FOR THE STUDENT UNDER § 10-208(E) OF THE TAX - GENERAL**
11 **ARTICLE FOR ANY TAXABLE YEAR FOR WHICH THE COMPTROLLER RECEIVES**
12 **NOTICE THAT THE PARENT OR GUARDIAN IS INELIGIBLE.**

13 **(E) (1) THE STATE BOARD SHALL ADOPT REGULATIONS TO**
14 **IMPLEMENT THE REQUIREMENTS OF THIS SECTION.**

15 **(2) THE REGULATIONS SHALL:**

16 **(I) ESTABLISH A PROCESS FOR DETERMINING**
17 **INELIGIBILITY THAT IS SIMILAR TO THE PROCESS FOR SUSPENSION OF A**
18 **STUDENT UNDER § 7-305 OF THIS SUBTITLE; AND**

19 **(II) ALLOW A DECISION OF THE COUNTY BOARD TO BE**
20 **APPEALED TO THE STATE BOARD.**

21 **Article - Tax - General**

22 2-609.

23 **(A) [After] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION,**
24 **AFTER making the distributions required under §§ 2-604 through 2-608.1 of this**
25 **subtle, the Comptroller shall distribute the remaining income tax revenue from**
26 **individuals to the General Fund of the State.**

27 **(B) BEFORE MAKING THE DISTRIBUTION REQUIRED UNDER**
28 **SUBSECTION (A) OF THIS SECTION, THE COMPTROLLER SHALL DISTRIBUTE TO A**
29 **SPECIAL FUND TO BE USED FOR THE PURPOSES OF THE GOVERNOR'S OFFICE**
30 **OF CRIME CONTROL AND PREVENTION THE REVENUE, AS DETERMINED BY THE**
31 **COMPTROLLER, ATTRIBUTABLE TO THE DENIAL OF THE FOLLOWING IN**
32 **ACCORDANCE WITH § 7-311 OF THE EDUCATION ARTICLE:**

1 **(1) THE SUBTRACTION MODIFICATION UNDER THE STATE**
2 **INCOME TAX FOR HOUSEHOLD AND DEPENDENT CARE EXPENSES FOR THE**
3 **STUDENT UNDER § 10-208(E) OF THIS ARTICLE; AND**

4 **(2) THE CREDIT ALLOWED AGAINST THE STATE INCOME TAX FOR**
5 **CHILD CARE AND DEPENDENT CARE EXPENSES FOR THE STUDENT UNDER §**
6 **10-716 OF THIS ARTICLE.**

7 10-208.

8 (a) In addition to the modification under § 10-207 of this subtitle, the
9 amounts under this section are subtracted from the federal adjusted gross income of a
10 resident to determine Maryland adjusted gross income.

11 (e) **[The] EXCEPT AS PROVIDED IN § 7-311 OF THE EDUCATION**
12 **ARTICLE, THE** subtraction under subsection (a) of this section includes expenses for
13 household and dependent care services not exceeding the dollar limit allowed under §
14 21(c) of the Internal Revenue Code and determined without reference to the
15 percentage limitation in § 21(a)(2) of the Internal Revenue Code.

16 10-716.

17 (a) (1) In this section the following words have the meanings indicated.

18 (2) “Federal child and dependent care credit” means the child and
19 dependent care credit properly claimed by an individual for the taxable year under §
20 21 of the Internal Revenue Code.

21 (3) “Qualifying individual” means a qualifying individual within the
22 meaning of § 21(b) of the Internal Revenue Code.

23 (b) **[An] EXCEPT AS PROVIDED IN § 7-311 OF THE EDUCATION**
24 **ARTICLE, AN** individual whose federal adjusted gross income for the taxable year
25 does not exceed \$50,000, or \$25,000 in the case of a married individual filing a
26 separate return, may claim a credit against the State income tax as provided in this
27 section for expenses paid by the individual during the taxable year for the care of a
28 qualifying individual.

29 (c) Subject to subsection (d) of this section, the credit allowed under this
30 section equals the lesser of:

31 (1) 32.5% of the federal child and dependent care credit; or

32 (2) the State income tax for the taxable year.

33 (d) (1) If an individual’s federal adjusted gross income for the taxable year
34 exceeds \$41,000, the credit otherwise allowed under this section shall be reduced by

1 10% for each \$1,000 or fraction of \$1,000 by which the individual's federal adjusted
2 gross income exceeds \$41,000.

3 (2) In the case of a married individual filing a separate return, if the
4 individual's federal adjusted gross income for the taxable year exceeds \$20,500, the
5 credit otherwise allowed under this section shall be reduced by 10% for each \$500 or
6 fraction of \$500 by which the individual's federal adjusted gross income exceeds
7 \$20,500.

8 (e) The credit allowed under this section does not affect the treatment under
9 this title of any deduction or exclusion allowed under this title or allowed for federal
10 income tax purposes for expenses paid by the individual for the care of a qualifying
11 individual.

12 SECTION 2. AND BE IT FURTHER ENACTED, That the State Board of
13 Education and the Comptroller shall report to the General Assembly on or before
14 December 31, 2014, in accordance with § 2-1246 of the State Government Article, on
15 the implementation of this Act.

16 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 July 1, 2010, and shall be applicable to all taxable years beginning after December 31,
18 2010.